

HB 1098 -- MINIMUM WAGE

SPONSOR: Roorda

Beginning January 1, 2015, this bill increases the minimum wage rate from \$7.35 to \$8.25 per hour. Beginning September 30, 2015, and annually thereafter, the Director of the Department of Labor and Industrial Relations must determine the increase or decrease in the cost of living based on the federal Consumer Price Index. Beginning January 1, 2016, the minimum wage must be adjusted annually based upon the determined increase or decrease in the cost of living. The percentage of the minimum wage rate that an employer is required to pay an employee who also receives tips is increased from 50% to 60%.

The bill increases from \$500,000 to \$575,000 the threshold amount of gross volume sales of a retail or service business below which amount an individual employed by the business will not be deemed an "employee" for purposes of the minimum wage law. Beginning January 1, 2016, and annually thereafter, the threshold will be adjusted by the increase or decrease in the cost of living as determined by the department director.

The amount of liquidated damages an employee is entitled to from an employer who does not pay the minimum wage when required to do so is increased from an amount equal to the minimum wages owed to an amount twice the underpaid wages. The statute of limitations for an action for the collection of underpaid wages is increased from within two years of the accrual of the cause of action to three years.